

Message Text

CONFIDENTIAL

PAGE 01 TANANA 00392 200911 Z

11

ACTION AID-59

INFO OCT-01 AF-05 ADP-00 EB-05 L-03 IGA-02 INR-09 XMB-01

COME-00 TRSE-00 RSC-01 RSR-01 /087 W

----- 097687

R 200715 Z MAR 73

FM AMEMBASSY TANANARIVE

TO SECSTATE WASHDC 5179

AMEMBASSY NAIROBI

C O N F I D E N T I A L TANANARIVE 0392

E. O. 11652: ADS, DECLAS 3/19/75

TAGS: ETEL, MA, US

SUBJ: PROPOSED TELECOMMUNICATIONS LOAN

REFS: A) NAIROBI 1 699; B) STATE 42944

NAIROBI FOR REDSO/ EA

1. SINCE IT IS EXTREMELY UNLIKELY THAT GOMR WOULD CONSIDER LOAN WITH SECOND STEP 6 PERCENT INTEREST RATE, WE DO NOT BELIEVE IT IS IN OUR INTEREST TO RAISE FORMALLY THIS QUESTION WITH PTT AT THIS STAGE AS SUGGESTED REF A. TO DO SO MIGHT ONLY SLOW DOWN PROCESSING OF LOAN REQUEST. IT HAS BEEN OBVIOUS THAT ER SINCE GOMR FIRST APPROACHED USG WITH REQUEST FOR NEW PTT LOAN, MALAGASY OFFICIALS HAVE BEEN THINKING IN TERMS OF LOW INTEREST RATE SIMILAR TO THAT IN FIRST TELECOMMUNICATIONS LOAN. GOMR NEGOTIATED SEVERAL MONTHS WITH JAPANESE IN ATTEMPT TO OBTAIN 3 PERCENT LOAN FOR TAMATAVE-DIEGO SUAREZ RADIO TELEPHONE LINK (AS WELL AS SIMILAR LOAN FOR NAMORONA HYDROELECTRIC PROJECT), AND ONLY FINALLY RELUCTANTLY AGREED TO A 4 PERCENT INTEREST RATE.

2. UNDER THESE CIRCUMSTANCES WE BELIEVE THAT TO ENCOURAGE MALAGASY TO ACCEPT 6 PERCENT LOAN FOR PTT WOULD RUN COUNTER EMBASSY'S PRESENT POLITICAL STRATEGY FOR FURTHERING U. S. INTERESTS IN MALAGSY REPUBLIC. IN BRIEF, OUR STRATEGY IS TO KEEP GOMR IN FAVORABLE FRAME OF MIND VIS- A- VIS U. S. INTERESTS BY (A) MEETING A FEW OF ITS REQUESTS FOR AID THROUGH ASSISTANCE ON CONCESSIONAL TERMS (SUCH AS IN CASE OF PRESENT TELECOM LOAN) AND (B) DIVERTING OTHER AID REQUESTS

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TANANA 00392 200911 Z

TO
SOURCES SUCH AS EXIMBANK OFFERING MORE CONVENTIONAL COMMERCIAL
TERMS.

3. THEREFORE ON MARCH 19 EMBOFF PROVIDED LIST OF QUESTIONS REF B
TO PASCAL RATOVONDRAHONA, CHIEF OF PTT TECHNICAL SERVICE,
INDICATING THAT AID/ W NEEDED THIS INFORMATION TO CONSIDER LOAN
WITH 3 AND ONE HALF PERCENT INTEREST RATE. RATOVONDRAHONA SAID HE
HOPED TO BE ABLE TO HAVE ALL INFORMATION READY FOR WESTLEY VISIT MAR
23.

WHEN EMBOFF SUGGESTED ALTERNATIVE OF 6 PERCENT INTEREST RATE,
RATOVONDRAHONA SAID HE WAS SURE NEITHER GOMR NOR PTT WOULD BE
PREPARED TO CONSIDER SUCH A HIGH RATE.

MENDENHALL

CONFIDENTIAL

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 20 MAR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973TANANA00392
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: ADS, DECLAS 3/19/75
Errors: n/a
Film Number: n/a
From: TANANARIVE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730336/aaaaifkw.tel
Line Count: 85
Locator: TEXT ON-LINE
Office: ACTION AID
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 73 NAIROBI 1 699, 73 STATE 42944
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 09 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09-Jan-2002 by martinjw>; APPROVED <29-Jan-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 971222
Subject: PROPOSED TELECOMMUNICATIONS LOAN
TAGS: ETEL, MA, US
To: AID
NAIROBI
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005